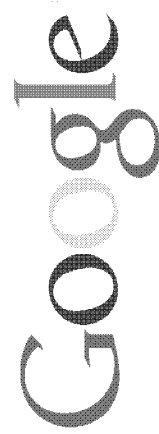


**EXHIBIT 96 TO  
HARVEY DECLARATION  
REDACTED VERSION**



# Compensation Overview

Understanding and Selling Google Compensation

# Agenda



- Introduction
- Google's Compensation Philosophy
- The Elements of New Hire Compensation
- Proposing New Hire Compensation
- How to Sell Compensation Packages to Candidates
- Questions

# Introduction



- The goal is to better understand:
  - Google's compensation philosophy and how it maps to proposed compensation for new hires
  - The elements of new hire compensation
  - The Compensation team's involvement in the hiring/offer review process
  - What compensation-related questions to ask candidates
  - How to sell compensation packages to candidates
  - Compensation tools



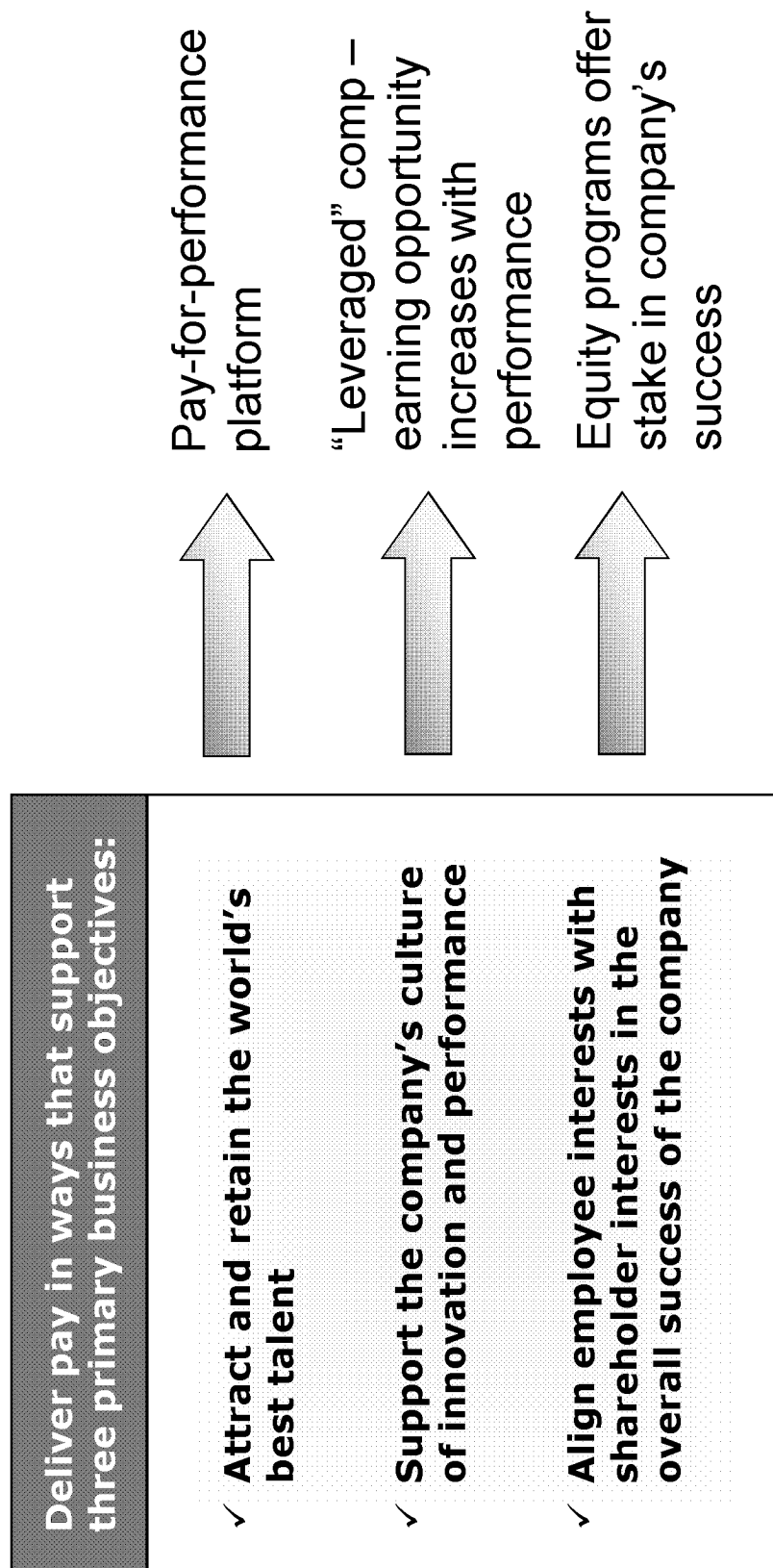
# Google's Compensation Philosophy

*Value Proposition, Leveraged Compensation*

Google Confidential and Proprietary 4



# Google's Compensation Philosophy



# Total Reward Value Proposition



Google designs competitive total reward packages

| REWARD ELEMENT     |                                     | OBJECTIVE  |
|--------------------|-------------------------------------|--|
| TOTAL REWARD       | WORK CONTENT, ENVIRONMENT & CULTURE | Build one of the most intelligent, highly motivated groups of employees in the world and foster a flat, collaborative work environment. Provide ongoing exposure to interesting and challenging work |
|                    | BENEFITS                            | Be a market leader in indirect awards in a way that adds meaningful value to employees' personal and professional lives  |
|                    | EQUITY                              | Provide all employees with an ownership stake in the company's future performance, AND "meaningful" future value at grant  |
|                    | BONUS                               | Above-market highly leveraged short-term cash incentives that reward individual contributions rather than tenure or roles  |
|                    | BASE                                | Competitive base salaries  |
| TOTAL REMUNERATION |                                     |  |
| TOTAL DIRECT PAY   |                                     |  |
| TOTAL CASH         |                                     |  |

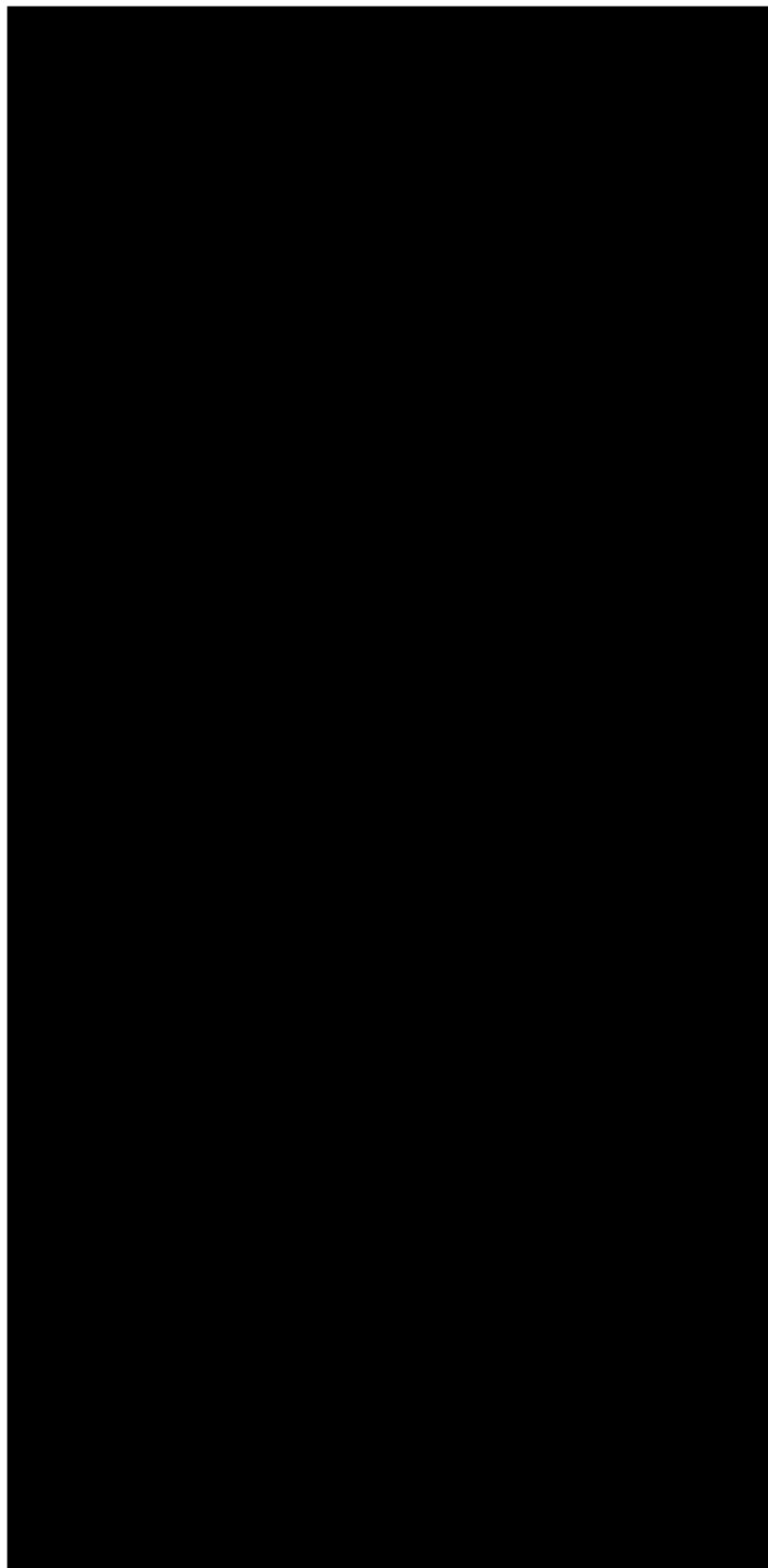
# Evolution of Google's Pay Mix

Google

Our **target** pay rates have changed over time...

Illustrative

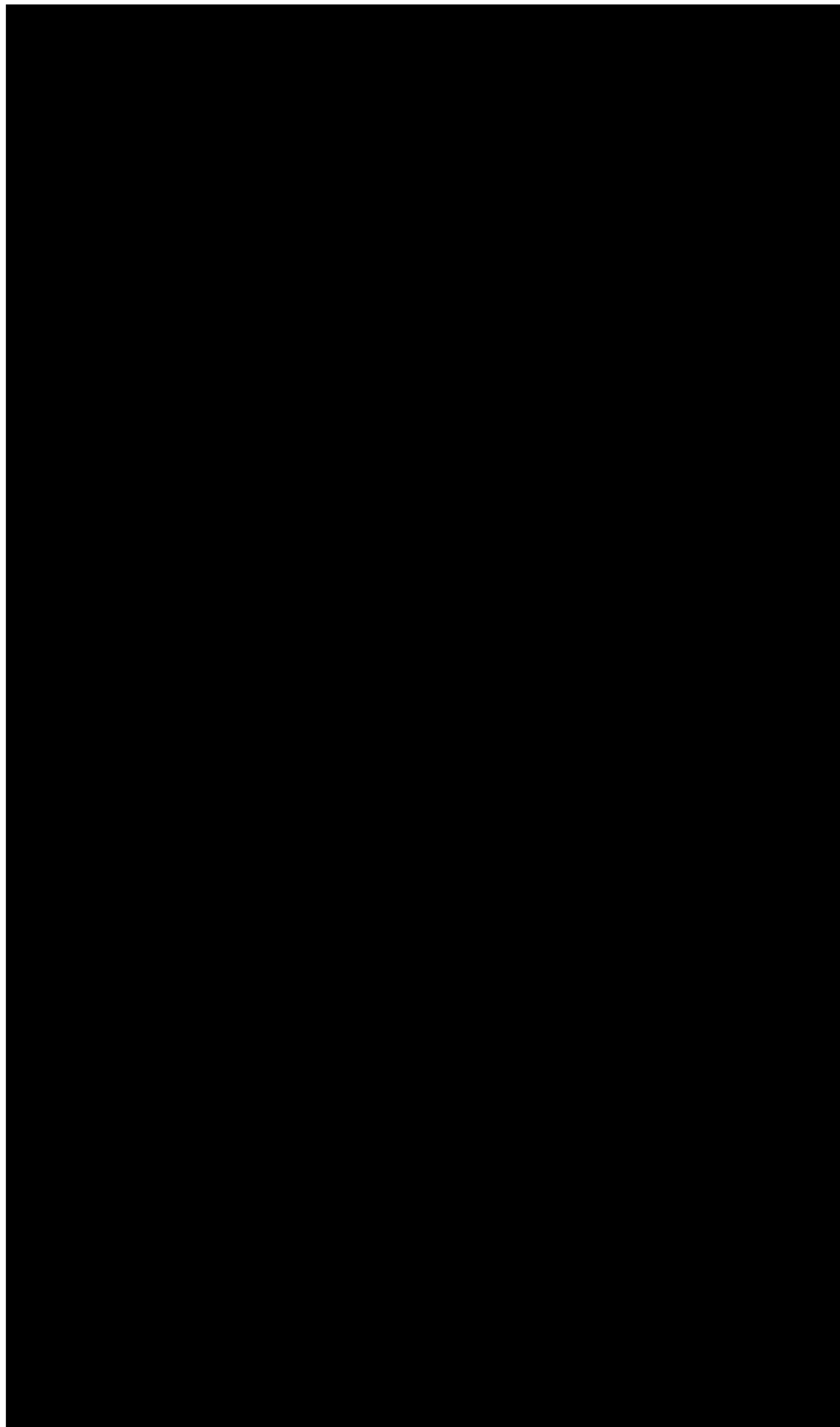
(actual varies with individual and company performance)





## Leveraging Compensation

Google



**US Software Engineer III Compensation Pay Mix**  
**(as % of Year 1 base salary)**

# Elements of New Hire Compensation

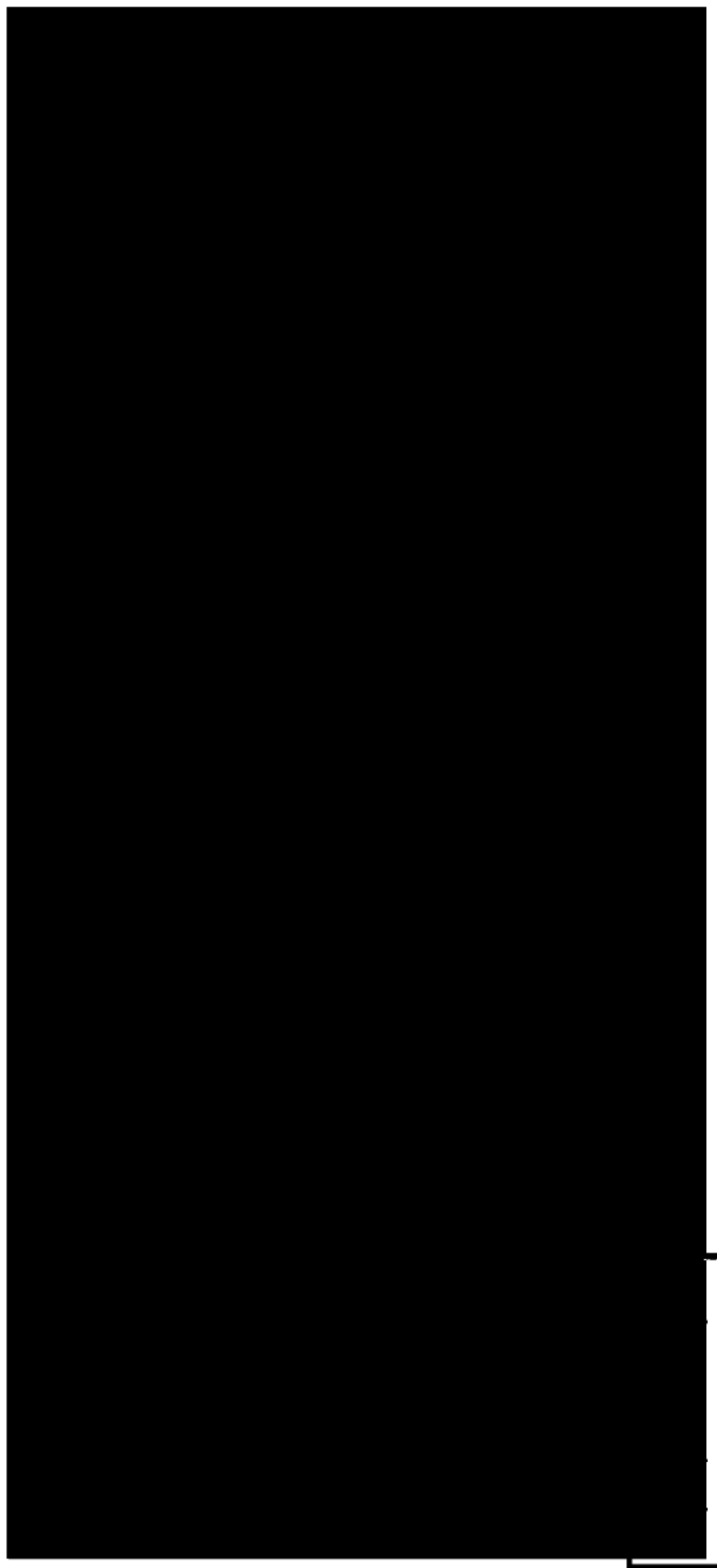
*Base, Bonus, Equity, Sign-on and Other Rewards*

Google Confidential and Proprietary 9

## Base Pay

Google

- Google base pay targets the [REDACTED] percentile of the market range
- Market data varies by job, and there can often be significant disparities between rates for jobs on the same ladder and level
- When determining base pay for a new hire candidate, comp analysts look at:

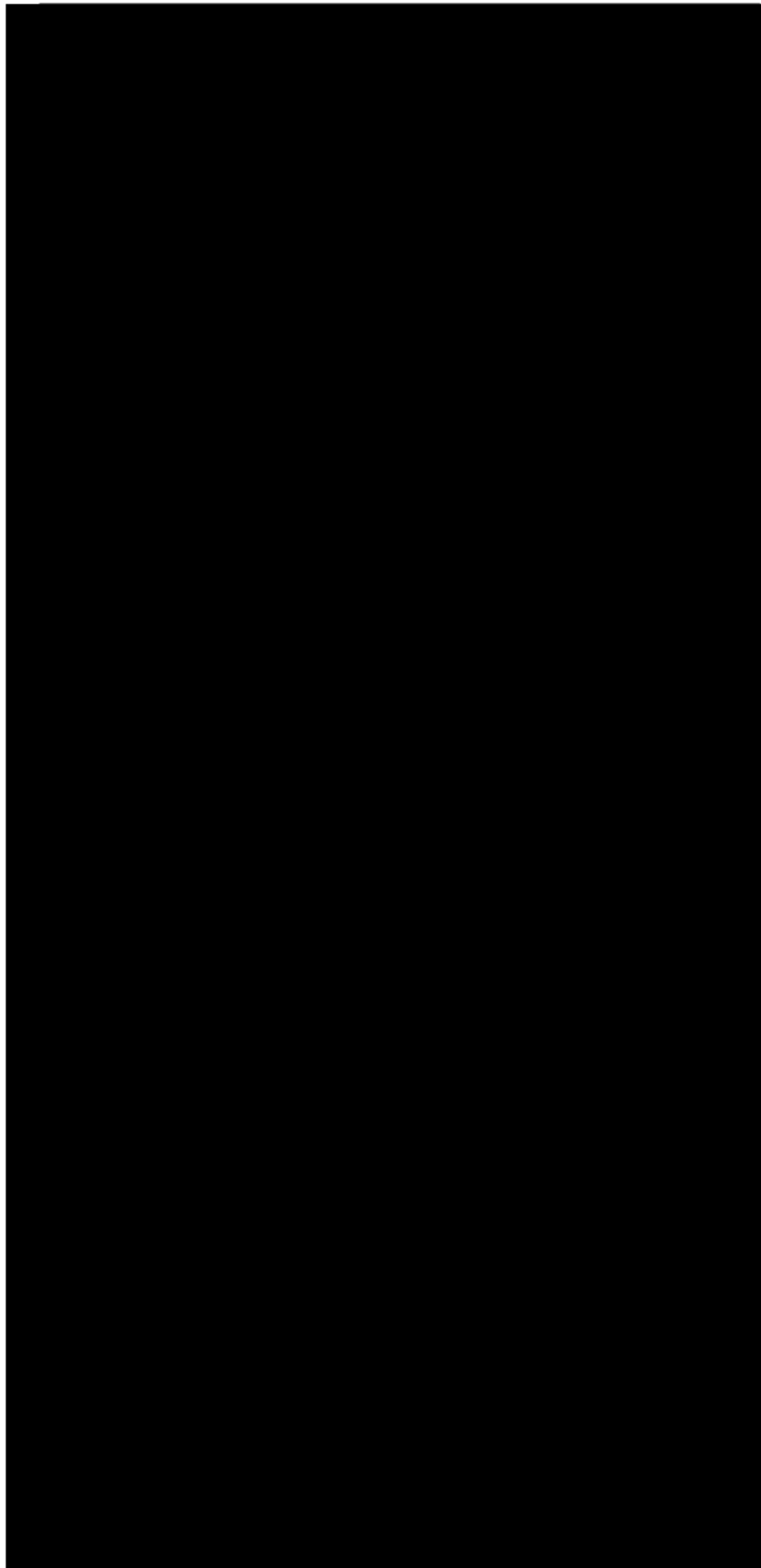


# Company Bonus Plan

Google

All bonus-eligible employees on the  
Company Bonus Plan

[REDACTED] participate in the



*(Percentages shown reflect percent of salary)*



# Company Bonus Plan Leverage



## Company Bonus Plan Mechanics:

[REDACTED]

### Calculation Detail:

[REDACTED]

[REDACTED]

- An employee's target bonus % should be regarded as a starting place, as there is potential to earn more (and in fewer cases, less)

# Bonus Program Schedule and Payouts



Eligibility

[REDACTED]

Payout

[REDACTED]

## Sales Incentive Program

Google



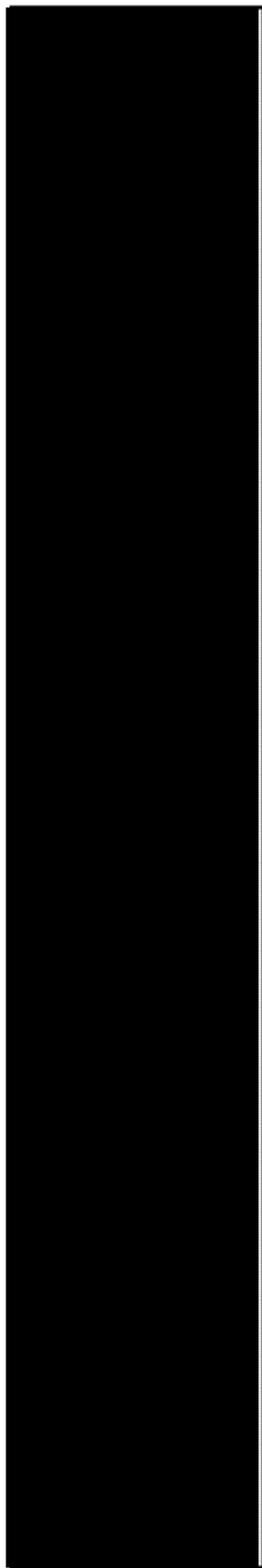
\* Bonus payouts vary by region

*(Percentages shown reflect percent of salary)*

## Sales Incentive Program

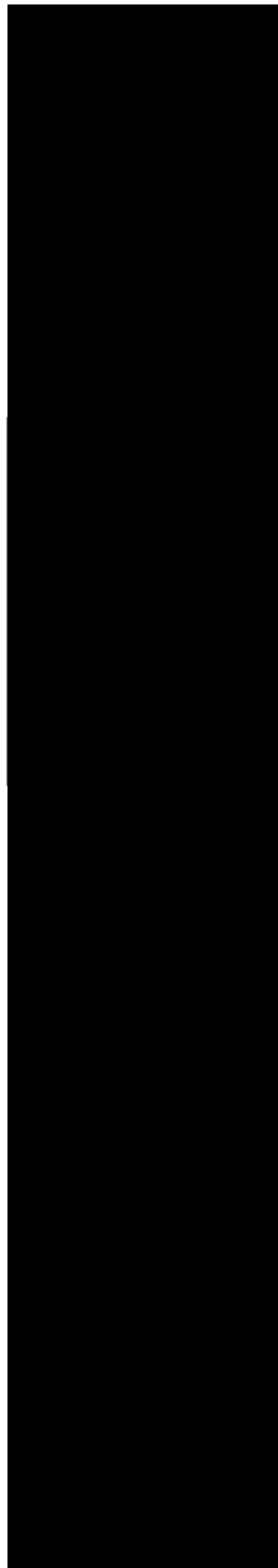
Google

### Sales Incentive Plan Mechanics:



### OSO Quarterly Bonus Plan Mechanics :

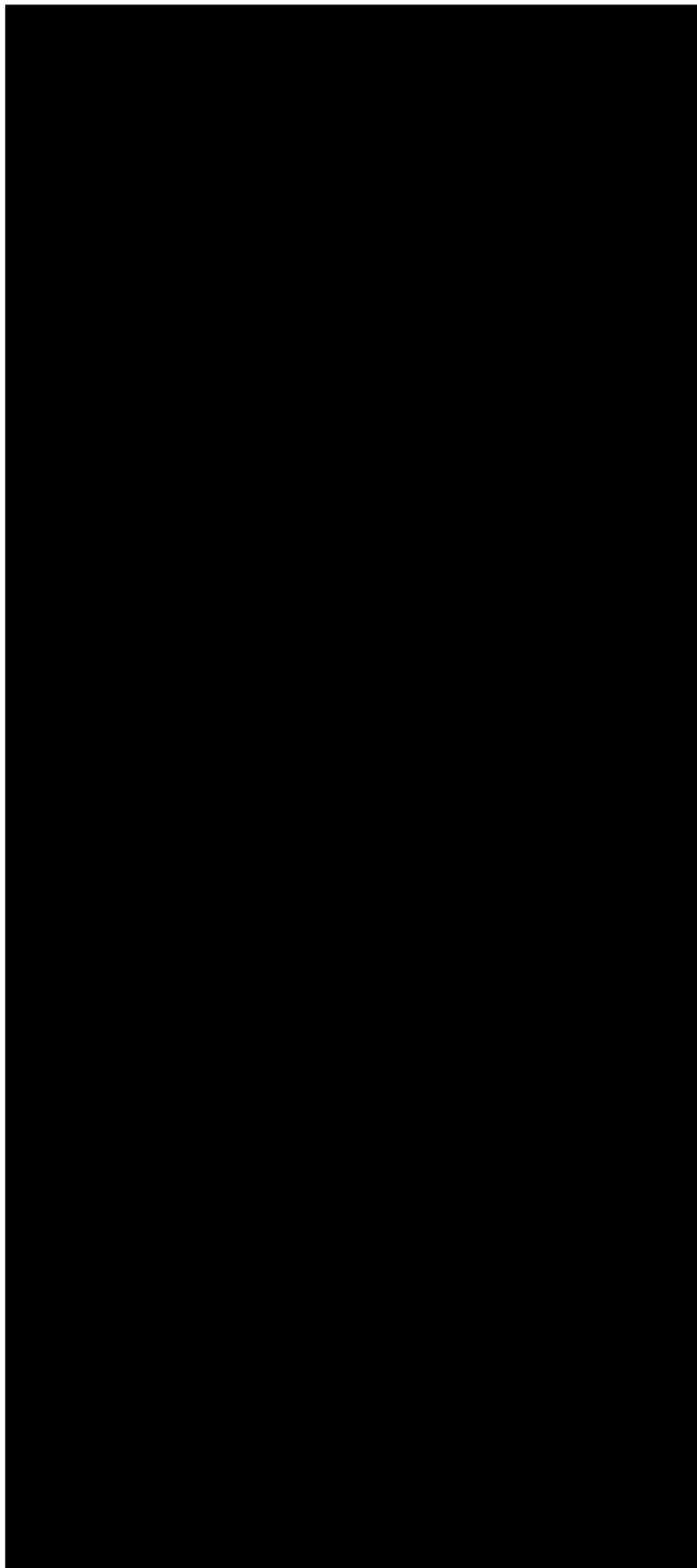
#### Annual True Up





## Equity Compensation

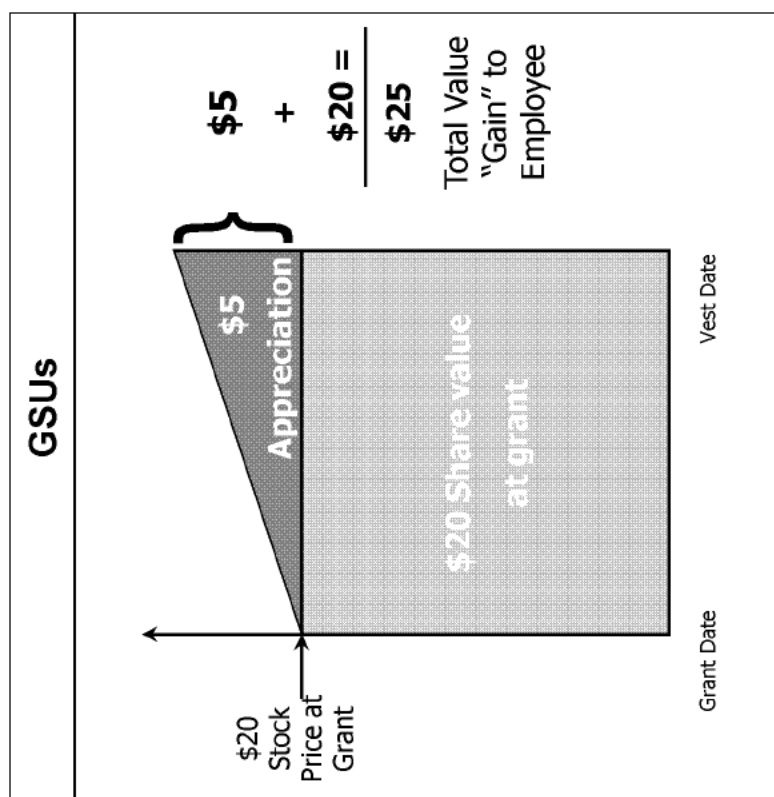
Google



## Google Stock Units (GSUs)

Google

- GSUs are an agreement to **give** an employee a share of Google stock when the units vest
- Vesting schedule: 1/4<sup>th</sup> per year, contingent on employee performance
  - [REDACTED] of employees vest in full
  - [REDACTED] of employees get their vesting adjusted up or down based on their performance
- Financial gain is equal to the **full price of the stock** on the day of vest and is usually taxed at that time

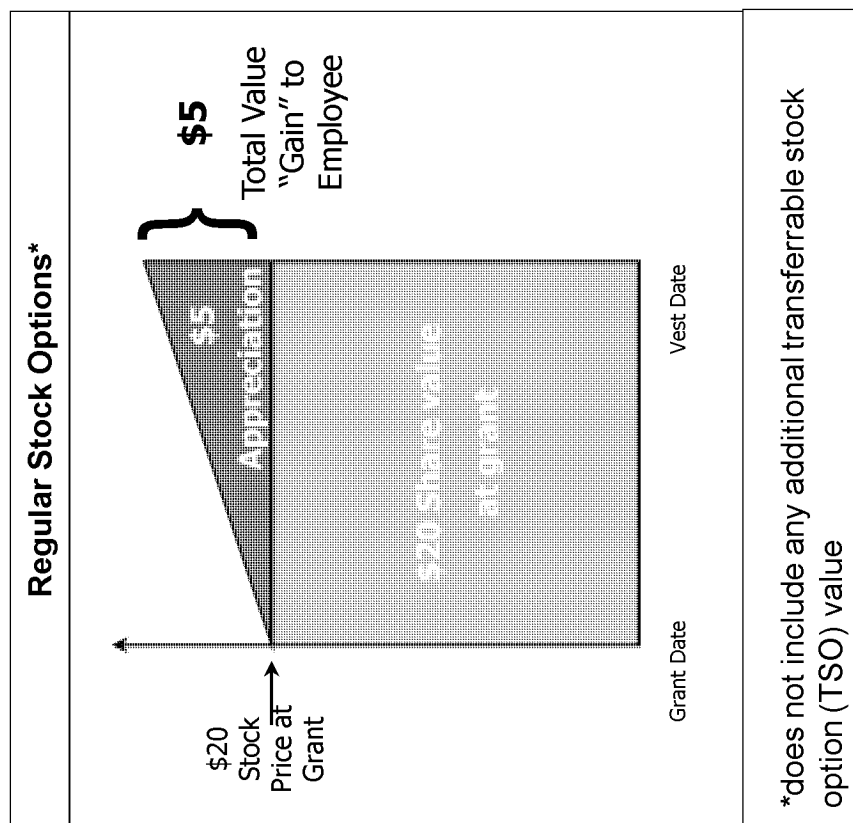


## Regular Stock Options

Google

- Stock options are an agreement to let an employee **buy** a share of Google stock at a fixed price within a 10-year period, so long as the options have vested
- Vesting schedule: 4 years total
  - $\frac{1}{4}$ th at 1<sup>st</sup> anniversary
  - $\frac{1}{48}$ th each month thereafter
- Financial gain is equal to any stock price appreciation above the fixed purchase price or “grant price”

***...unless your options are eligible for Google's Transferable Stock Option (TSO) Program...***



# Google TSO Program





# Annual Refresher Grant Program

## Overview

- [Redacted]
- [Redacted]
- [Redacted]

## Eligibility

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

# Sign-on Bonus

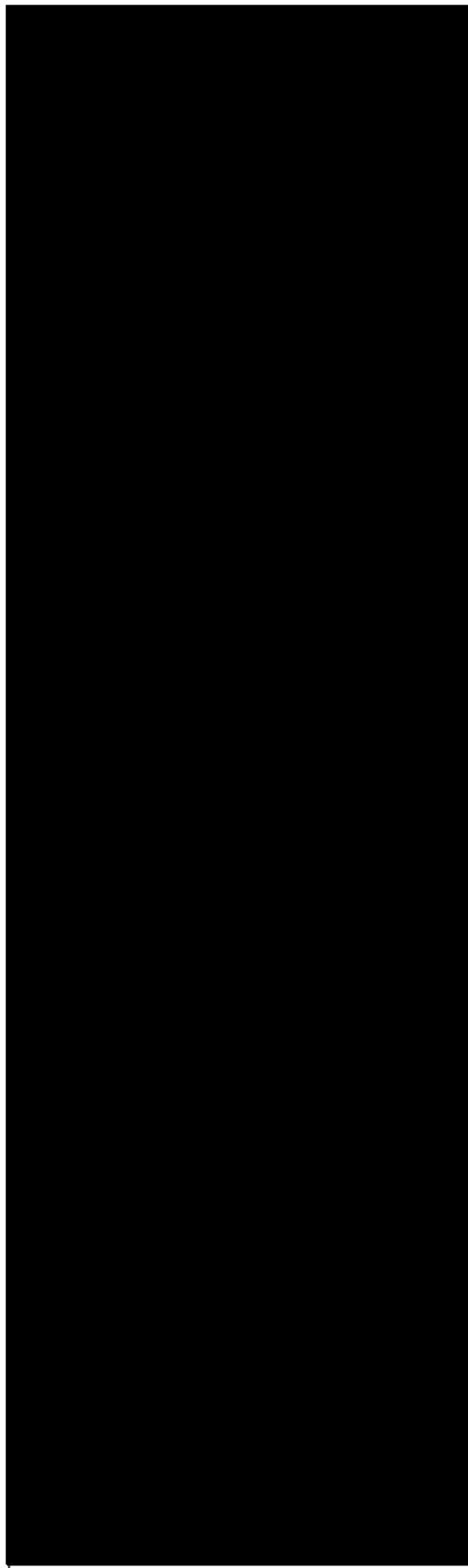


## Overview

- Short-term vehicle used for “must-have” candidates
- Offset legitimate issues not addressed by other total reward elements

Sign-On Appropriate

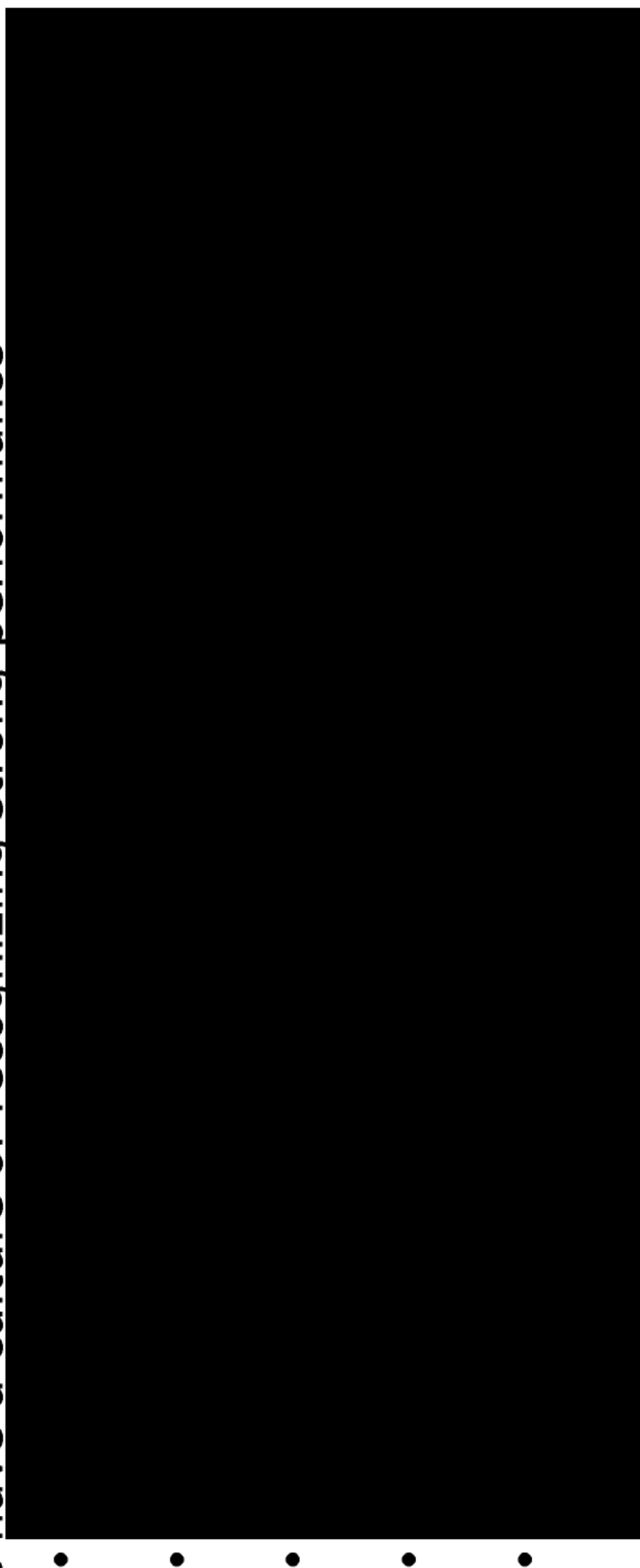
Don't Use Sign-On



## Other Performance-based Compensation

Google

We have a culture of recognizing strong performance





# Proposing New Hire Compensation

*Working with Compensation to Create and Extend Offers*



## How Comp Review Fits In

Google

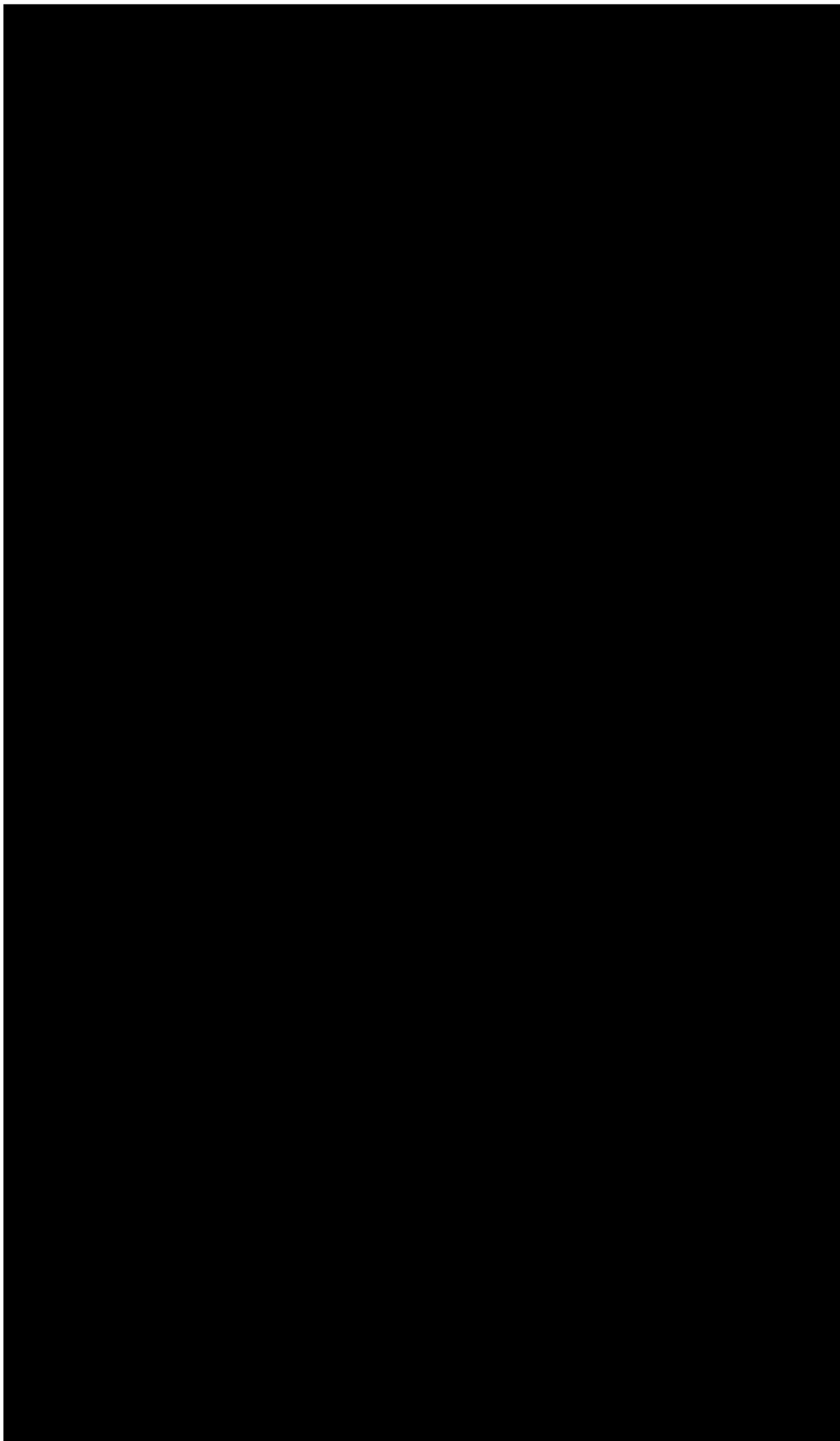


- In order to avoid drastic last-minute revisions, we encourage recruiters to work with comp analysts throughout the hiring process in order to better anticipate the most likely outcomes of the review process
- The goal is for Compensation to be considered as a partner – not merely a review stage


**The best times to contact comp analysts are...**

# The Hiring Process

Google



When learning about a competing or counter-offer

 When to talk to Comp

# Communicating with the Comp Analyst

Google

- Improved communication will help to:
  - Set candidate expectations and improve candidate experience
  - Reduce drastic last-minute comp revisions
  - Reduce escalations to hiring managers and VPs
- We encourage this open dialog by hosting "Comp Office Hours"

[REDACTED]

[REDACTED]



Selling Google Comp

Google Confidential and Proprietary 27

# Talking about Compensation



- For HR professionals, compensation is analytical; for many candidates, it's emotional
- Many candidates are fixated on base salary, viewing this as the only compensation element indicative of responsibility level, and accordingly may use base salary to chart progress in their careers
- It's important that candidates take into account the total compensation package and are also made aware of how Google pays relative to the market
- We encourage recruiters to walk their candidates through our packages step-by-step (the Compensation Modeling Tool should make this task easier)
- Some candidates express risk-aversion, claiming that they can't rely on variable compensation elements
- Google is a pay-for-performance culture, and we're serious about rewarding high achievement, both on the individual and company levels
- We've found that a few candidates tend embellish their current compensation figures; we suggest that recruiters request confirmation when such figures appear aggressive or out-of-the-ordinary



# Answering Candidates' Questions



- Q: "Why am I taking a cut in base pay to come to Google?"
- A: "While your base pay may decrease, your total compensation (base, bonus and equity) will be increasing. In addition, the numbers we are presenting are your targets. If you are a high performer, then there is the potential to earn significantly more."
- Q: "Why should I value the equity when the stock price keeps falling?"
- A: "Even when the stock price is falling, your equity has value. Each GSU is equivalent to one share of Google stock. So, even if the price is falling, the GSU will still have value. As for options, our TSO program helps to provide value for out-of-the-money options. This one-of-a-kind program allows employees to monetize the time value of the option."
- Q: "My company offers a refresher program. What does Google offer and what can I expect?"
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- Q: "I'm expecting a 4% salary increase at the end of the year. What type of increase can I expect at Google?"
- A: "Each year, Google's Compensation team evaluates every job to determine what the market reference point should be. In parallel with the job reviews, there is annual salary review process whereby salaries are increased based on performance and market position. While not every employee is guaranteed an increase, every employee's salary is evaluated."



## Answering Candidates' Questions (cont.)

Google

• [REDACTED]

• [REDACTED]

• Q: "What is the individual multiplier? I'm a top performer at my current company, but what can I expect at Google, where it seems like everyone is a top performer?"

• [REDACTED]

- Q: "I feel like the only thing I can count on is base salary, since everything else is variable."
- A: "Although bonus payouts will vary, it's worth considering that every year since Google launched its bonus program, the company multiplier has been greater than 1.0. In fact, over the past 5 years, [REDACTED] of Googlers have received at least their target bonus."
- Q: "I'm working at a pre-IPO startup, and it seems like Google is undervaluing my equity here."
- A: "When evaluating offers, Google does not always value pre-IPO equity in the same way a candidate might. This is due to the fact that there is rarely a consensus on how to value a particular company's pre-IPO equity (due to the need to risk-adjust the value based on the likelihood of the company going public). Google stock is publically traded and currently has a value that can be easily determined."
- Q: "If I take this offer, I'll be relocating to an area with a higher cost of living. It looks like my offer doesn't take this into account."
- A: "Our compensation packages are based on the cost of labor and competitive local pay rates – not cost of living. While similar, cost of living and cost of labor are not perfectly correlated, and some geographies pay more aggressively relative to others."

# Tools and Resources

Google

## Comp Genie

- Only available to Leads
- Access at go/compgenie

## CompModeling Tool

- Available to Recruiters
- Access at go/compensationmodeling

## Lead Recruiter Section on Staffing Web Page

- Links to new hire offer ranges
- Link to CompGenie
- Link to equity guidelines
- Access [here](#)

## Compensation section on Recruiter Staffing Web Page

- List of active job codes
- Bonus targets for E,N,T, and O job ladders
- Internal transfer policy
- List of US geographic regions (for Premium, Discount and National)
- Relocation guidelines (US)

## Compensation webpage for Employees

- Go/compensation



Q&A

Google Confidential and Proprietary 32